

# Summary of Non-Pipeline Alternatives Technical Subcommittee Meeting #5

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March 11, 2025

## Agenda: Framework Follow-up

Time	Topic
10:00-10:05	Welcome
10:05-11:45	Framework read out
11:45-12:00	Wrap up and next steps

## Acronyms:

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<b>NPA</b>	Non-Pipeline Alternative
<b>TSC</b>	Technical Subcommittee
<b>LDC</b>	Local Distribution Company (Gas)
<b>GSEP</b>	Gas System Enhancement Program
<b>EDC</b>	Electric Distribution Company
<b>EJC</b>	Environmental Justice Community
<b>CCP</b>	Climate Compliance Plan

## LDC Responses to TSC Feedback on Draft LDC NPA Framework

E3 presented a summary of LDC responses to feedback on the draft LDC NPA framework provided by TSC members, going through feedback shared and responses provided for each stage of the draft framework. TSC members also provided additional feedback to be included in the NPA Stakeholder Process Report.

### ***Overall Comments***

- TSC members and LDCs agreed on the challenges of limited time to develop and evaluate the draft NPA framework.
- TSC members emphasized the value of examples in explaining the NPA framework to stakeholders.
- TSC members highlighted an inconsistency in slide 5 of the meeting slide deck, which states "NPA Framework adequately addresses avoiding stranded gas asset costs but does not adequately address meeting MA climate goals." TSC members discussed that, although this had been provided as a written comment to the draft framework, this was not the position of the TSC, rather several TSC members clarified that they believe the NPA framework does not avoid significant stranded costs because of the concern that few NPAs will be implemented. TSC members also commented that this concern had been raised at a prior Working Group meeting.
- LDCs agreed that proactive planning is necessary and a component of Integrated Energy Planning (IEP).
- TSC members stressed the importance of data sharing between gas and electric utilities and indicated willingness to support the LDCs in pursuing approval to share data (e.g., the Data Waiver request).

### ***Project Identification***

- TSC members underscored the importance of proactive gas capital planning, including extended planning time horizons to increase the likelihood of NPA deployment. LDCs responded by acknowledging the importance of this point, with different LDCs commenting on approaches that they will be taking to consider NPAs for projects outside of established near-term capital plans.

### ***Gas and Electric System Feasibility Review***

- LDCs and TSC members discussed the challenges of balancing in-depth electric system review with incurred ratepayer burden of additional analysis when determining electric system feasibility of NPA projects. TSC members emphasized the need for transparency to evaluate and understand electric system feasibility assessments, while LDCs flagged challenges in coordinating with EDCs due to limitations on electric customer data availability and Order 20-80-B applying only to gas LDCs.
- TSC members requested additional detail and data as the LDC apply the NPA framework on the number of projects that enter the NPA process and the share of projects that pass through each state of the framework. The aim of this request is to better understand if projects were being limited by electric or gas system feasibility, or by cost-effectiveness, or by other framework considerations.

### ***Benefit Cost Analysis***

- TSC members flagged concerns with attributing electric system upgrade costs to individual NPA projects. LDCs noted the goal of coordinating NPA deployment with approved electric system modernization efforts, to limit the costs incurred by gas ratepayers. Additionally, LDCs noted that only incremental electric system costs would be accounted for within the BCA.
- TSC members stated the need for coordinated forward-looking gas-electric planning to ensure that *electric* system benefits of certain NPAs were incorporated in the BCA of projects, which was acknowledged by LDCs as already included in the proposed BCA framework.
- TSC members and LDCs discussed the trade-off between mitigating safety risk through accelerating lower-priority leak-prone pipe replacement with incurring additional ratepayer burden from increased near-term capital spend. TSC members flagged that backfilling GSEP projects would move forward capital costs, reducing near-term cost savings. Additionally, TSC members cautioned the potential ratepayer burden of funding both the NPA as well as the backfilled traditional project.
- LDCs noted the safety and reliability opportunities of replacing additional leak-prone pipe, and that the replacement project would also undergo an NPA analysis. TSC members emphasized the need for greater transparency in understanding and discussing the tradeoff between safety and ratepayer impacts of backfilled GSEP projects.

### ***Project Prioritization***

- TSC members approved of the flexibility offered by considering the emissions savings, cost reduction and EJC benefits of different NPA projects in the prioritization stage, noting the need for iteration and transparency in how these metrics inform NPA deployment in the future, as well as in the consideration of risk mitigation offered by NPA and traditional projects.